Investor Presentation

May 2015

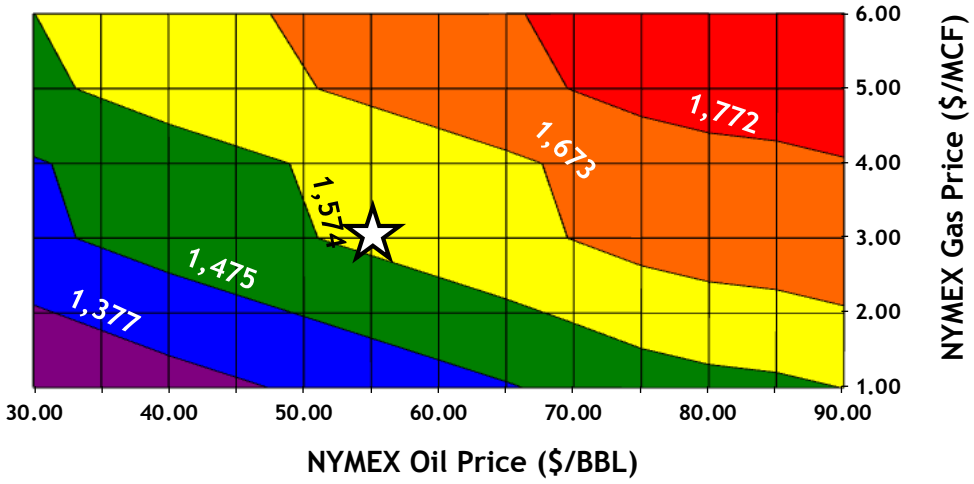
PIONEER
NATURAL RESOURCES

2015E Capital Spending and Cash Flow[1]

Capital program of $1.85 B
(excludes potential rig adds in 2H)

- **Drilling Capital: $1.6 B**
  - $1,050 MM northern Spraberry/Wolfcamp (65% of total)
    - $735 MM for horizontal drilling program
    - $20 MM for vertical drilling program
    - $225 MM for infrastructure and land
    - $70 MM for gas processing facilities
  - $120 MM southern Wolfcamp joint venture area (net of carry)
    - $90 MM for horizontal drilling program
    - $30 MM for infrastructure and land
  - $390 MM Eagle Ford Shale
    - $335 MM for horizontal drilling program
    - $55 MM for infrastructure and land
  - $40 MM Other Assets
- **Other Capital (water infrastructure, vertical integration and facilities): $250 MM**
- **Capital program funded from:**
  - Operating cash flow of $1.6 B
  - Cash on hand ($0.4 B at the end of Q1 2015)

Sensitivity to Forward Commodity Prices ($ MM)



Average Price (May-December)
$55/BBL oil and $3.00/MCF gas

1) Capital spending excludes asset retirement obligations, capitalized interest and G&G G&A

Northern Wolfcamp Horizontal Production Data[1]

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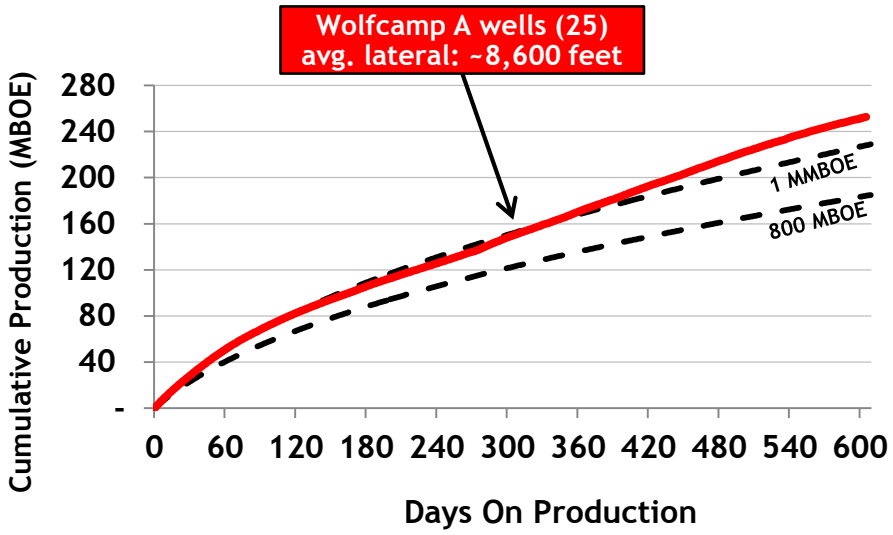
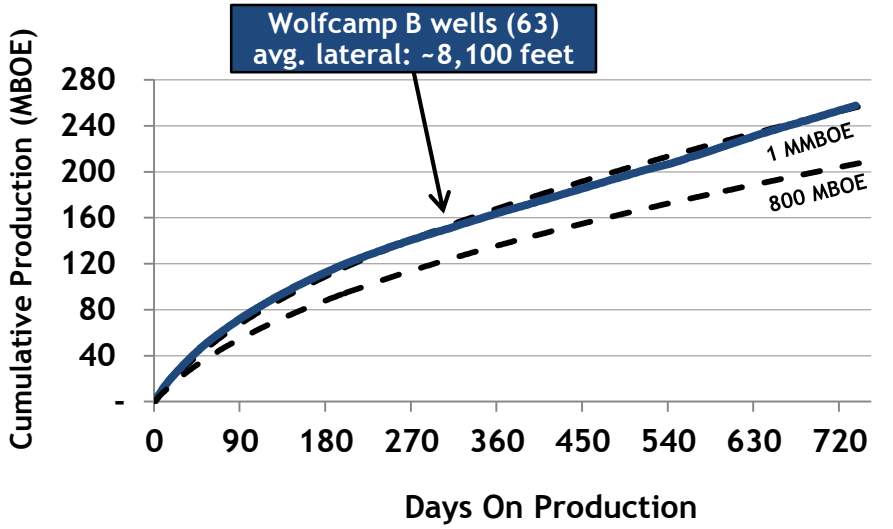
Wolfcamp A

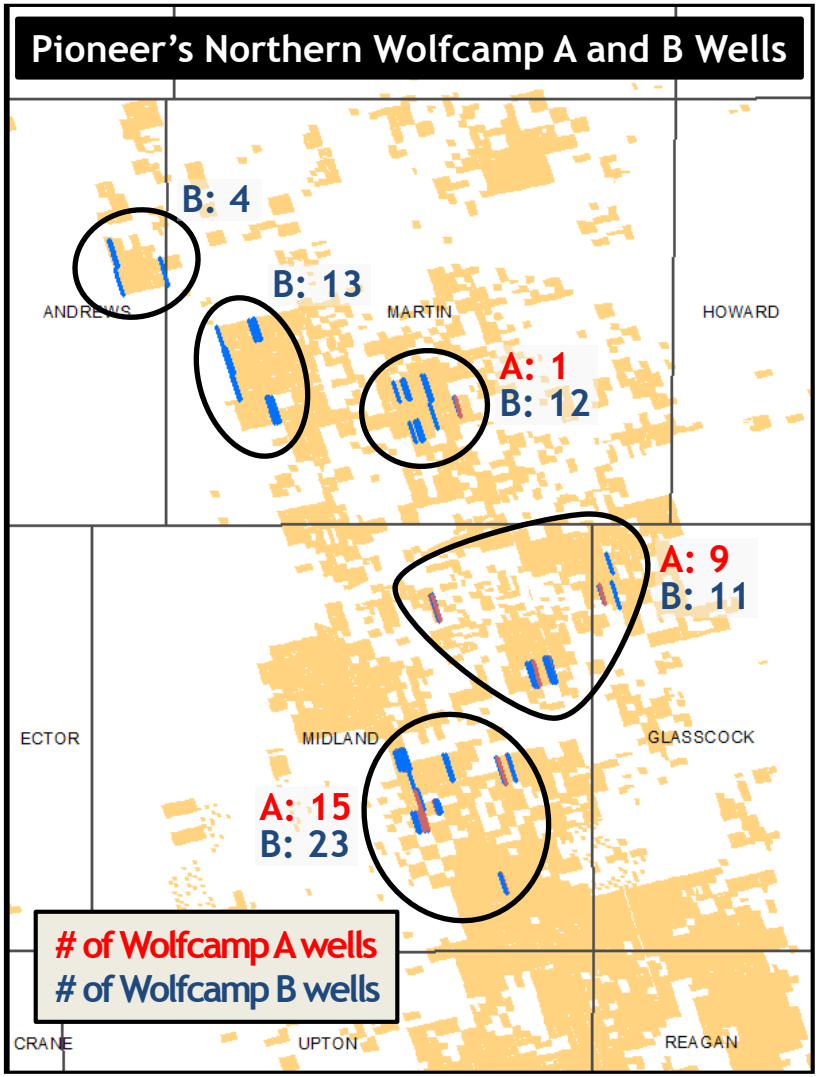


Wolfcamp B



1) Daily production normalized for operational shut-ins

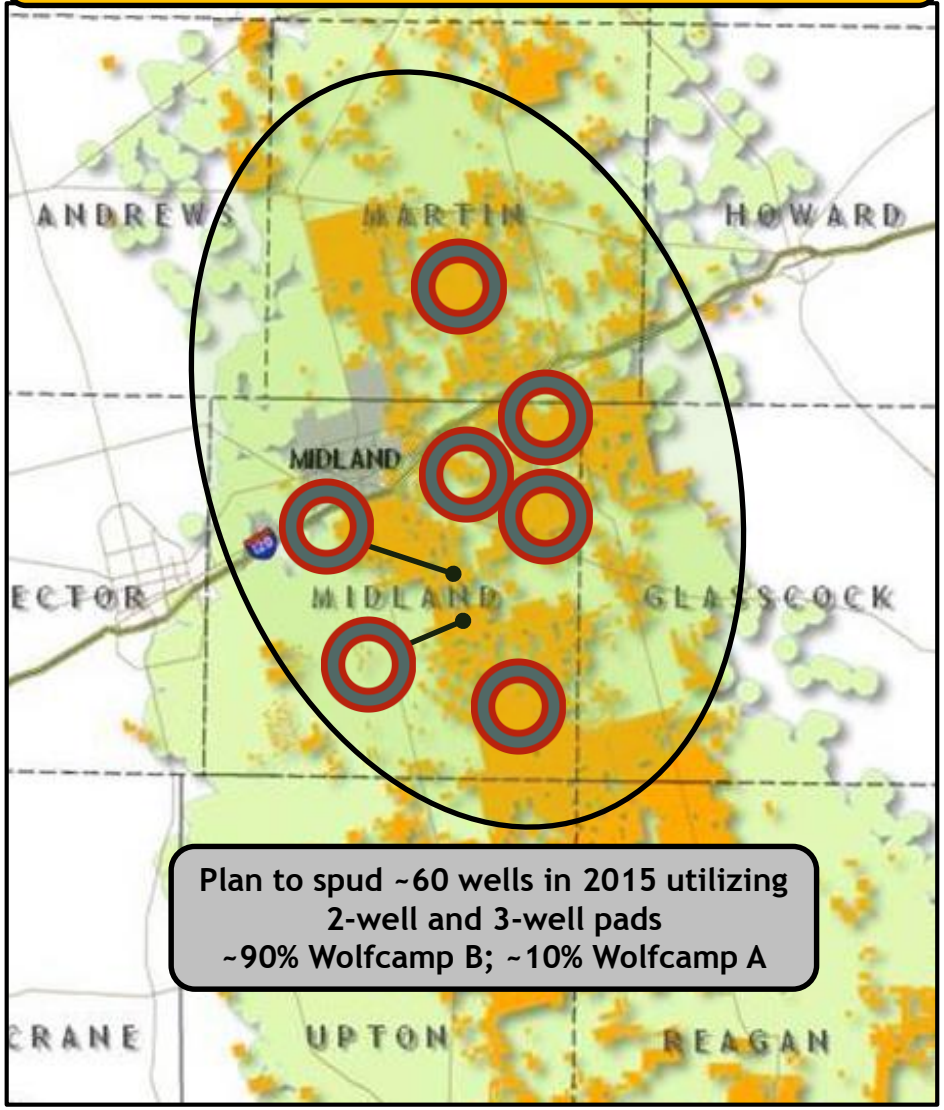
Average production from all Wolfcamp A and B interval wells drilled since early 2013 in northern Spraberry/Wolfcamp tracking 1 MMBOE EUR



Northern Spraberry/Wolfcamp: High-Grading Drilling Activity in 2015

- **Reduced horizontal rig count to 6 rigs by the end of February**
- **High-grading drilling activity to areas and intervals with the highest EURs and net revenue interests**
  - Focusing on locations where horizontal tank batteries exist
- **Expect to place 85 to 90 horizontal wells on production during 2015 compared to 97 horizontal wells in 2014**
  - 70% Wolfcamp B wells; remainder split between Wolfcamp A, Wolfcamp D and Lower Spraberry Shale wells
  - Average D&C cost per well: ~$9 MM assuming average lateral lengths of ~9,000 feet and an average 10% cost reduction compared to 2014
  - Expected to generate EURs averaging ~1 MMBOE with before-tax IRRs up to 55% at current strip prices (average oil price of $55 per barrel during 2015)
  - Placed 15 horizontal wells on production in Q1 2015 (10 Wolfcamp B, 2 Wolfcamp A and 3 Lower Spraberry Shale wells)
- **Shut down vertical drilling program by the end of February**

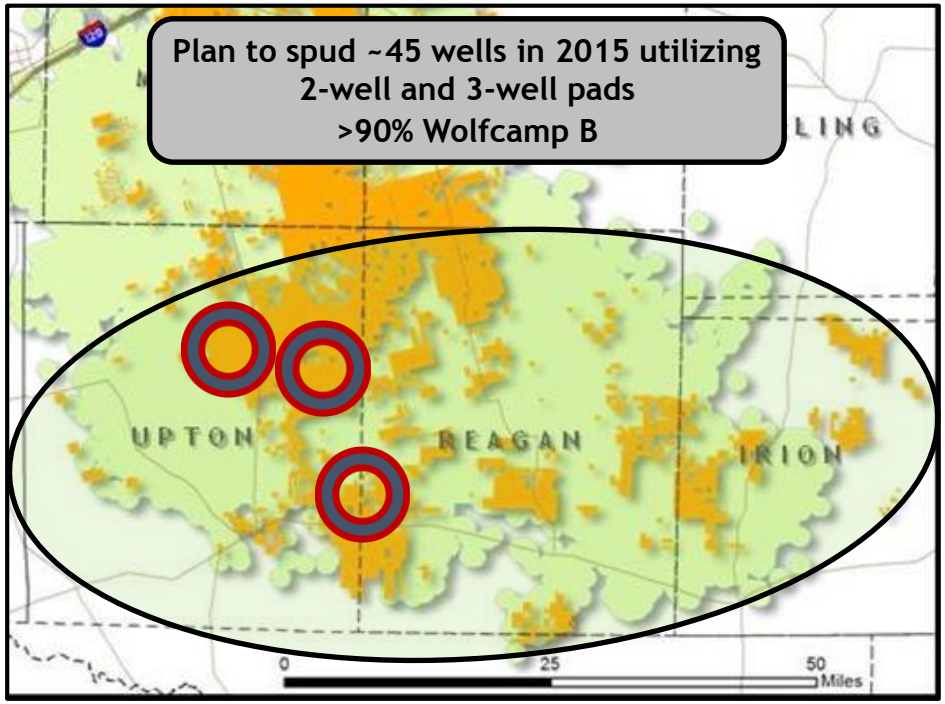
Pioneer's Northern Spraberry/Wolfcamp 2015 Drilling Areas



Southern Wolfcamp JV: High-Grading Drilling Activity in 2015

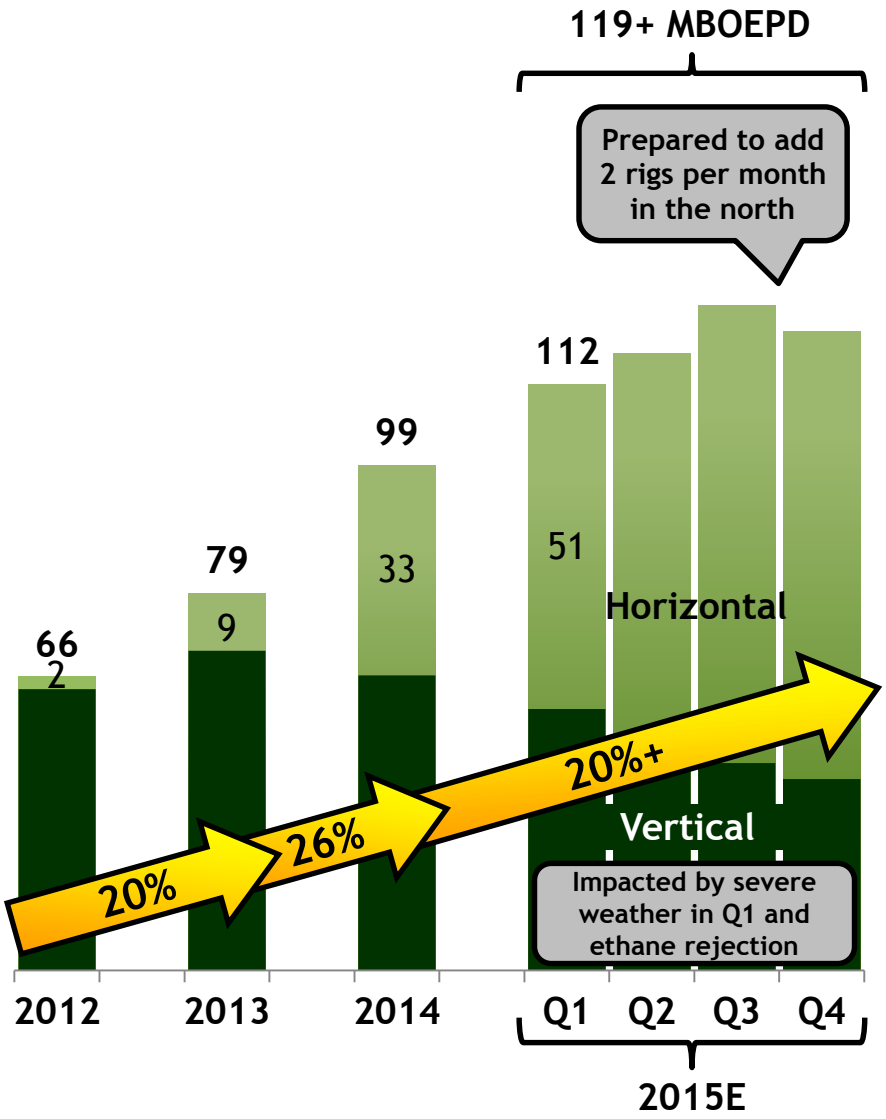
- **Reduced horizontal rig count to 4 rigs by the end of February**
- **High-grading drilling activity to areas and intervals with the highest EURs and net revenue interests**
  - Focusing on locations where horizontal tank batteries exist
- **Expect to place 75 to 80 horizontal wells on production during 2015 compared to 113 horizontal wells in 2014**
  - 75% Wolfcamp B wells; remainder split between Wolfcamp A and Wolfcamp D wells
  - Average D&C cost per well: ~$8 MM assuming average lateral lengths of ~9,000 feet and an average 10% cost reduction compared to 2014
  - Expected to generate EURs averaging ~750 MBOE with before-tax IRRs up to 55% (excludes carry) at current strip prices (average oil price of $55 per barrel during 2015)
  - Placed 31 horizontal wells on production in Q1 2015 (22 Wolfcamp B and 9 Wolfcamp A wells)

Pioneer's Southern Wolfcamp JV Area
2015 Drilling Areas



Forecasting 2015 Production Growth of 20%+ in Spraberry/Wolfcamp

Spraberry/Wolfcamp Net Production (MBOEPD)[1]



- **46 horizontal wells placed on production in Q1**
  - 15 in northern acreage and 31 in southern Wolfcamp JV area
    - Q1 POPs lower than planned due to spreading completions throughout the year
  - Also placed 29 vertical wells on production
- **Q1 production: 112 MBOEPD (67% oil)**
  - Q1 production negatively impacted by ~3 MBOEPD due to downtime associated with severe winter weather and ~3 MBOEPD related to ethane rejection beginning January 1
- **2015 production outlook**
  - Expect production to increase by 20%+
  - FY 2015 production reduced by ~4 MBOEPD:
    - Ethane rejection of ~3 MBOEPD expected to continue through year-end as a result of weak market conditions
    - Q1 severe winter weather impact of ~1 MBOEPD

1) Includes horizontal and vertical production from Pioneer's northern acreage and the southern Wolfcamp joint venture area (60% Pioneer/40% Sinochem)

Spraberry/Wolfcamp Infrastructure Development

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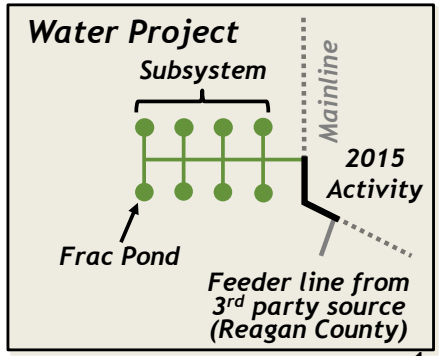
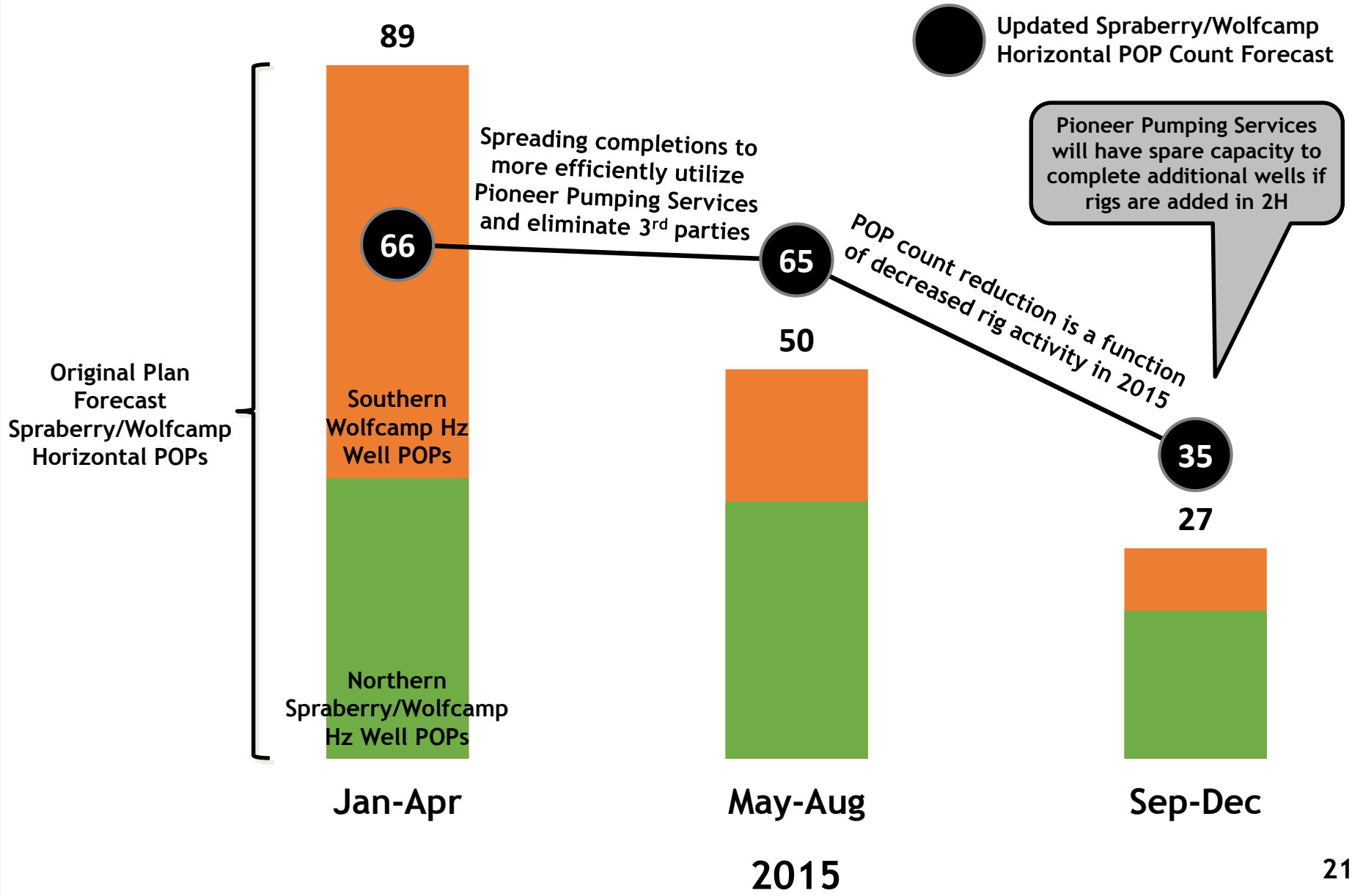
- **2015 capital program includes $410 MM for Spraberry/Wolfcamp infrastructure**
  - Drilling capital
    - Tank batteries/saltwater disposal facilities to support high-graded drilling program: ~$215 MM
    - Gas processing - gathering system connections and early phase construction of Buffalo plant: ~$70 MM
  - Other capital (property, plant and equipment)
    - Brady sand mine expansion - engineering work and site preparation: ~$25 MM
    - Water infrastructure project – engineering, right-of-way acquisition, pipeline installation and connecting 3rd party Santa Rosa brackish water source: ~$100 MM
- **If 2 horizontal rigs per month are added during 2H 2015 in the northern Spraberry/Wolfcamp, additional infrastructure capital that will be required in 2015 will be <$50 MM for tank batteries, saltwater disposal facilities and well connections as activity expands to new areas**



Updated Spraberry/Wolfcamp Horizontal POP Forecast



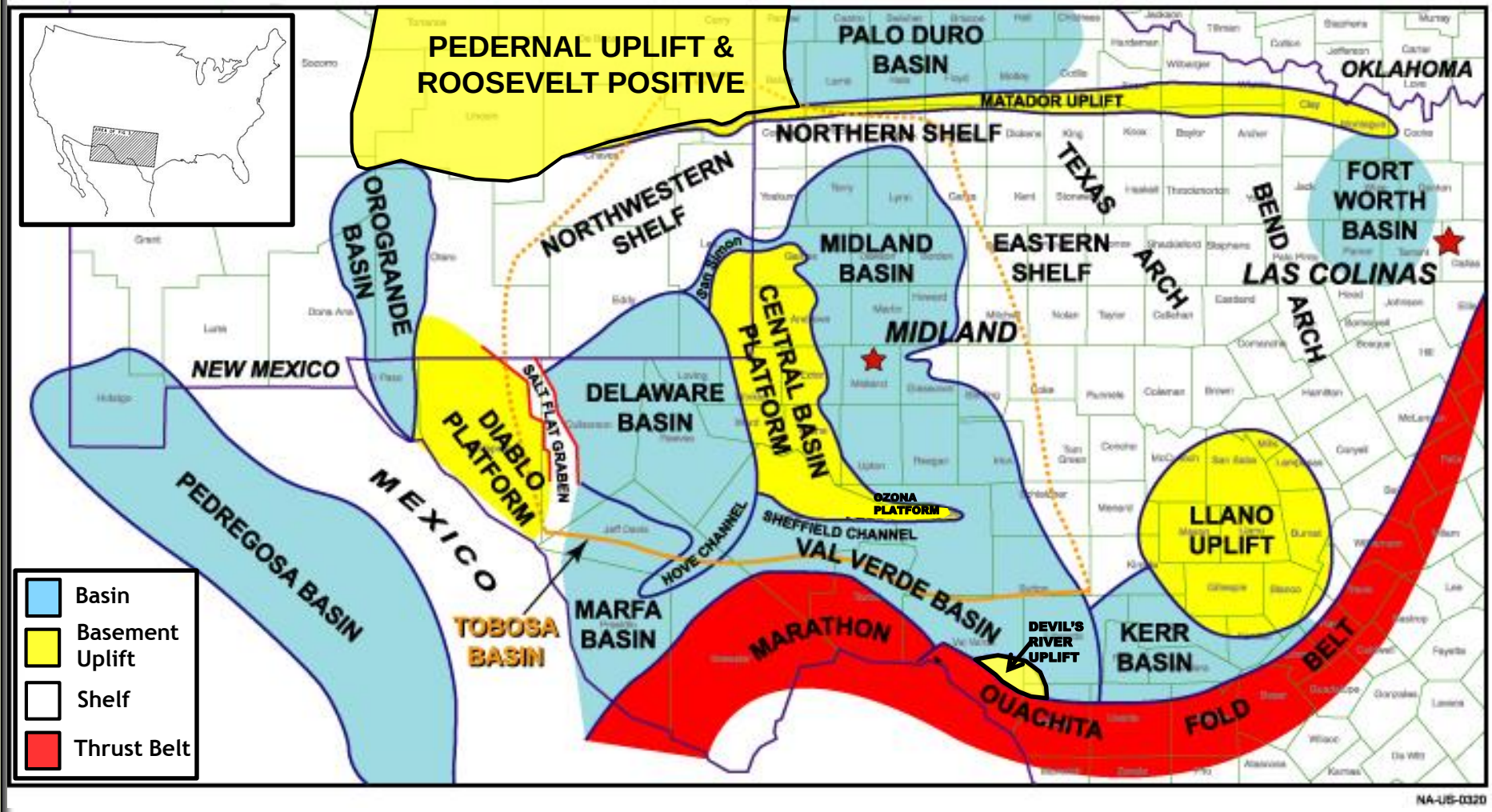
Pioneer's Year-End 2014 Proved Reserves[1]

- **Added 177 MMBOE from the drillbit, or 239% of full-year production, at a drillbit F&D cost of $19.65 per BOE[2]**
  - Reflects significant drilling campaigns in horizontal Spraberry/Wolfcamp Shale and Eagle Ford Shale plays
  - Drillbit F&D cost for horizontal additions of 157 MMBOE was $15.51 per BOE
- **Reserve mix**
  - 100% U.S.
  - 44% oil / 21% NGLs / 35% gas
  - 81% PD / 19% PUD
- **Proved Reserves / Production: ~11 years**
- **PD Reserves / Production: ~9 years**

	Year-end 2014 Proved Reserves (MMBOE)
Spraberry/Wolfcamp	476
Eagle Ford	142
Raton	121
Other	60
Total	799

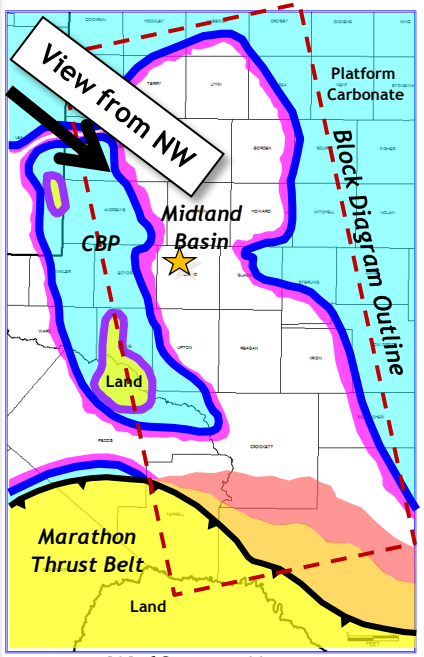
1) Reflects 2014 SEC pricing (12-month average) of $94.98/BBL for oil and $4.35/MMBTU for gas (NYMEX) as compared to 2013 SEC pricing of $96.82/BBL for oil and $3.67/MMBTU for gas (NYMEX)
2) Excludes PUD reserves removed as a result of vertical Spraberry/Wolfcamp wells no longer expected to be drilled (39 MMBOE), positive price revisions (12 MMBOE) and reserves added from acquisitions (2 MMBOE)

Geologic Provinces of the Permian Basin



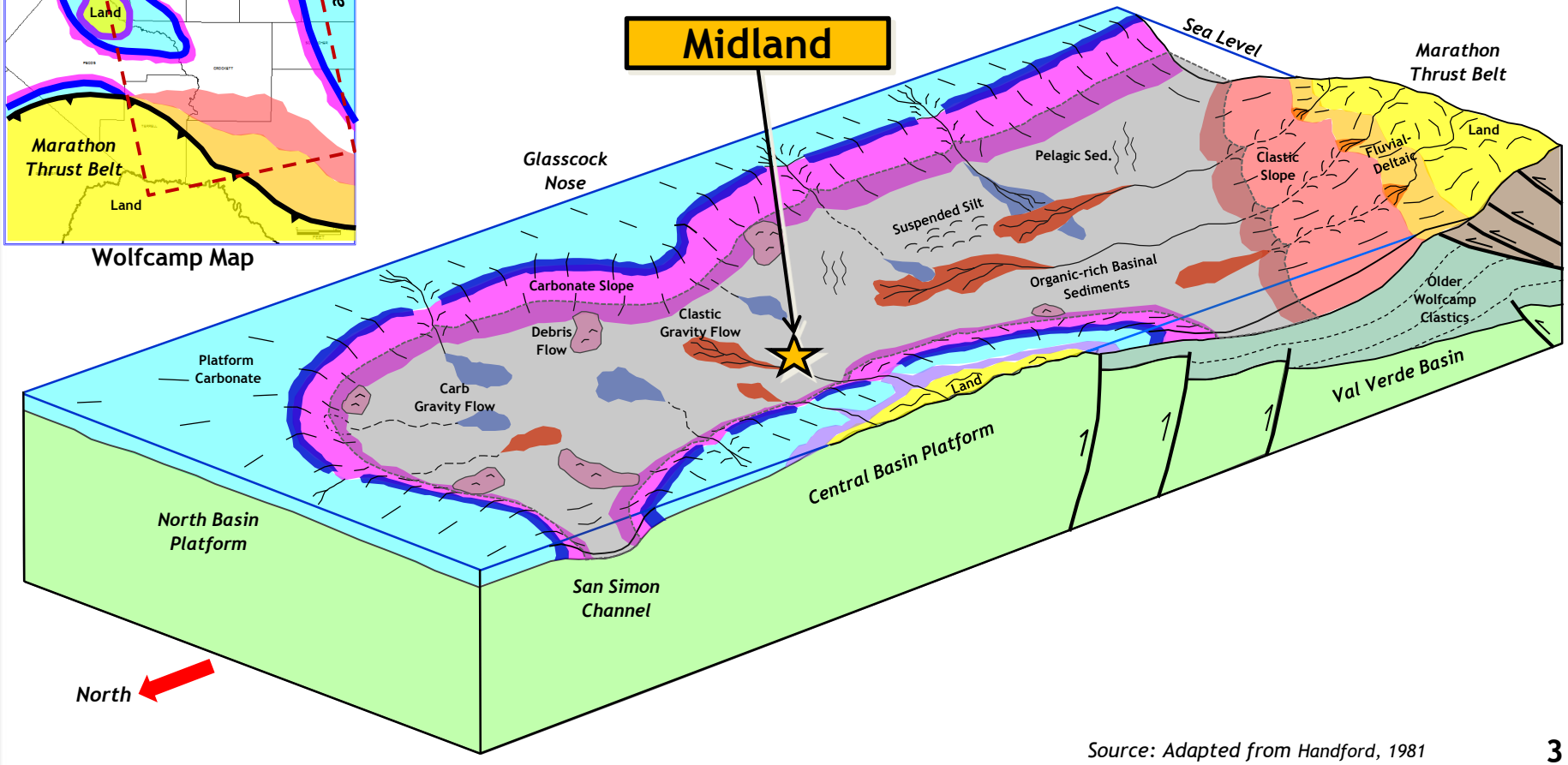
- Permian Basin is composed of multiple uplifts and basins that formed during the Pennsylvanian and early Permian ages
- Spraberry/Wolfcamp Shale and deeper intervals are located in the Midland Basin of the Permian Basin
- Spraberry/Wolfcamp field was discovered in 1943 with production commencing in 1949

Wolfcamp Depositional Model – Midland Basin



Wolfcamp Map

- Platform Carbonate
- Shelf Edge Carbonate
- Slope Sediments & Reef Talus
- Carbonate Debris Flows
- Carbonate Gravity Flows
- Basinal Sediments
- Land
- Clastic Detrital
- Fluvial - Deltaic
- Delta
- Clastic Slope Sediments
- Clastic Gravity Flows
- Pelagic Sediments
- Silt Cloud in Suspension
- Anaerobic Zone (Organic-rich Sediments)



Source: Adapted from Handford, 1981

Regional Cross Section D-D'

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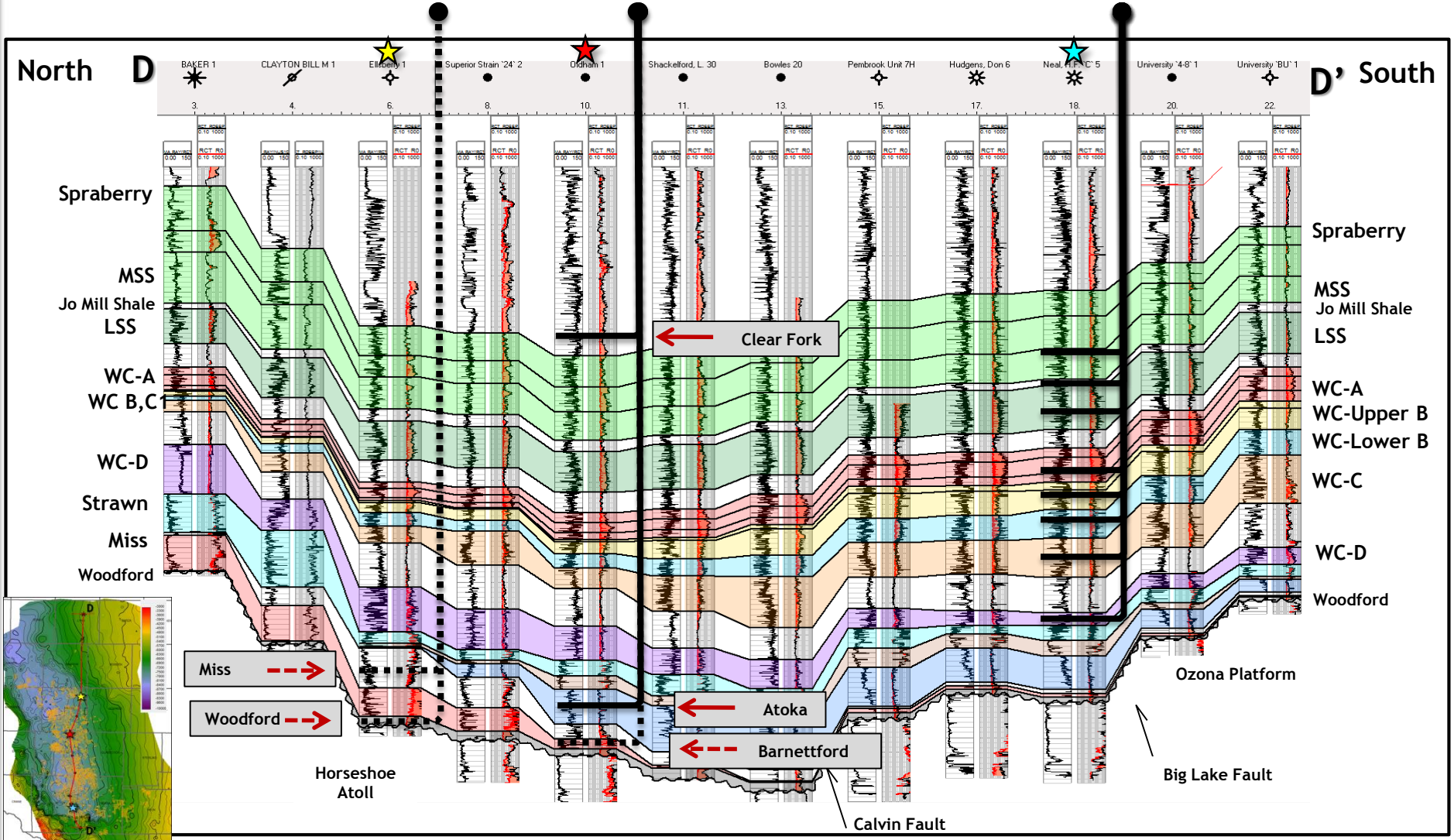
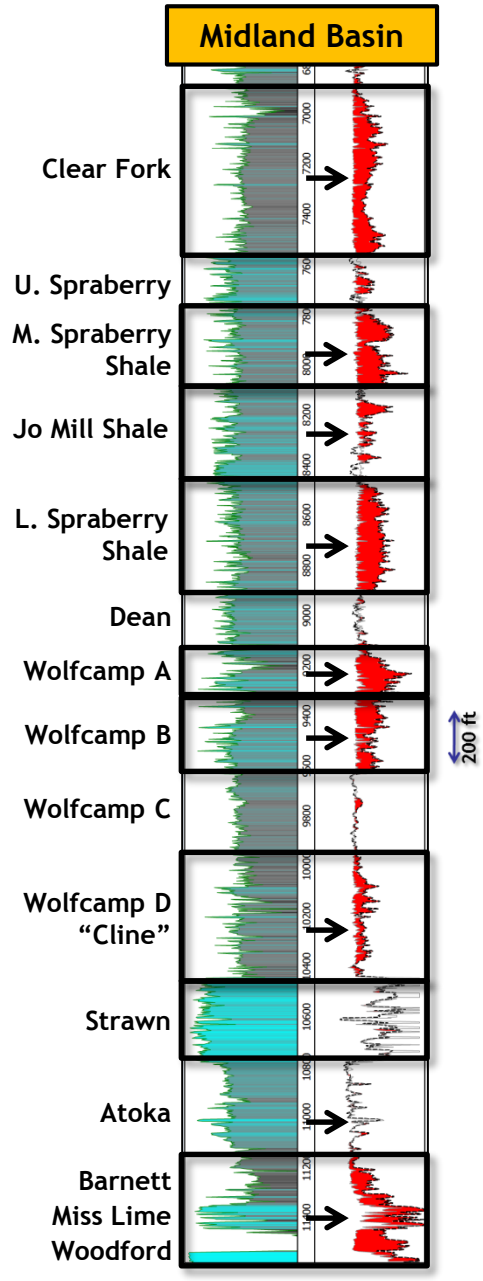
Successful Horizontal Wells in the Play

Future Horizontal Play

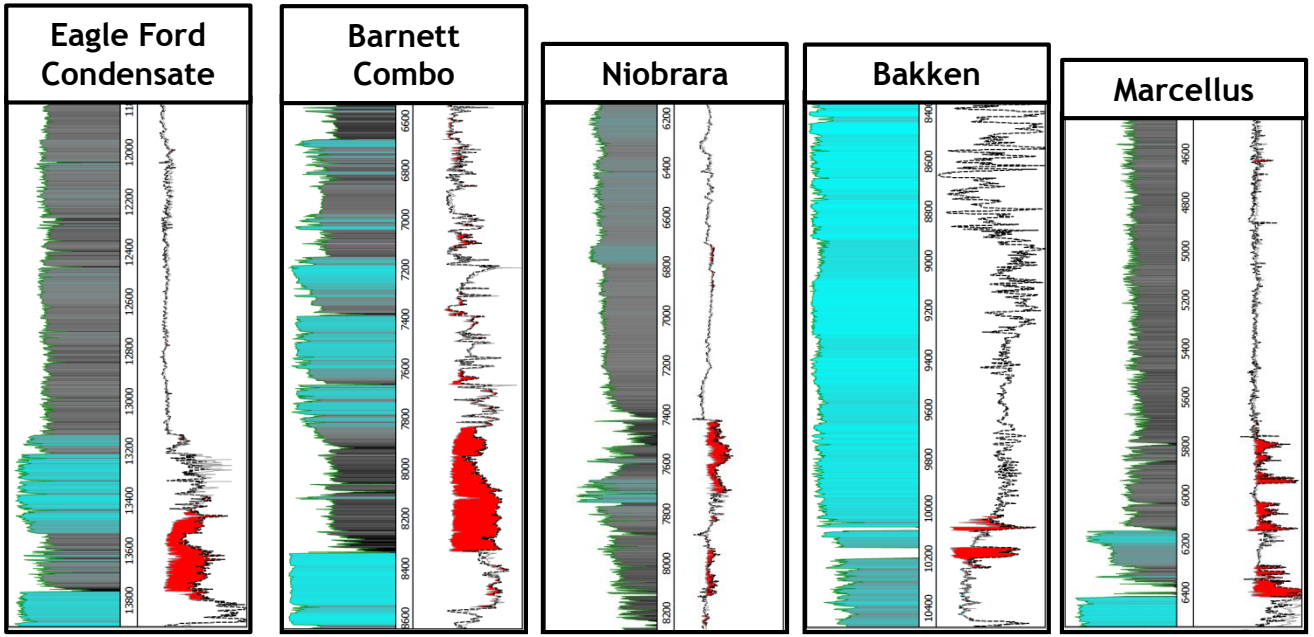
- 13 horizontal play intervals identified (so far)
- 10 intervals have been tested successfully
- 3 additional intervals remain to be tested



Midland Basin: Stacked Play Potential



- "Delta log R" (excess electrical resistance)
- Red intervals indicate hydrocarbons
- Petrophysical analysis indicates significantly more oil in place in the Wolfcamp and Spraberry Shale intervals in the Midland Basin compared to other major U.S. shale oil plays



Source: PXD

Midland Basin Horizontal Resource Potential

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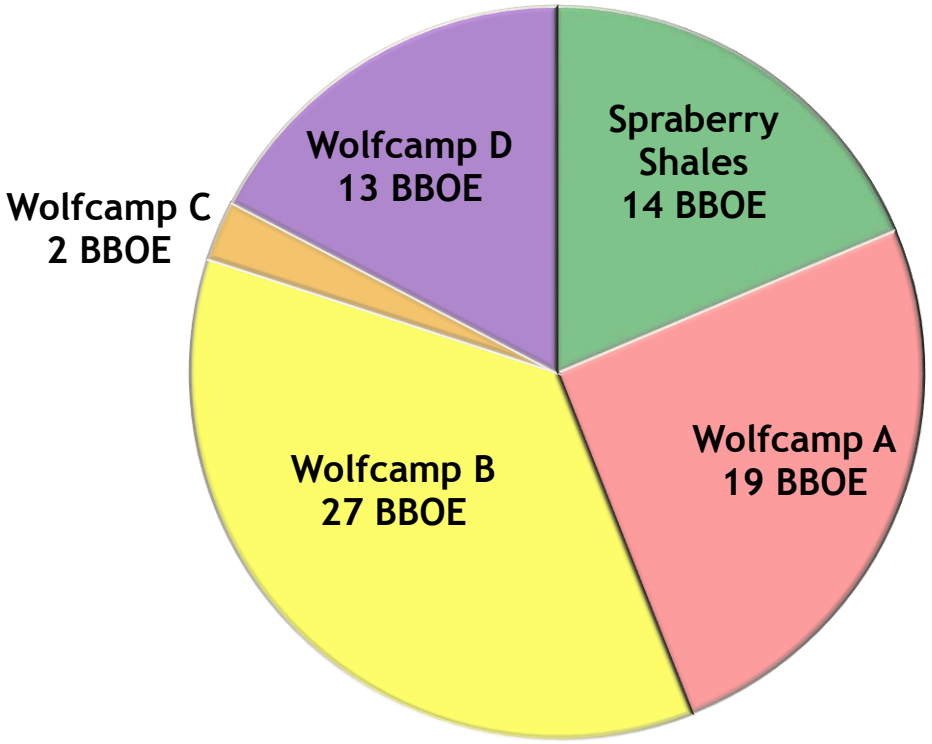
75 BBOE Recoverable Resource Potential



- 75 BBOE recoverable resource potential in shale intervals where successful horizontal wells have been drilled
- Assumes 140-acre spacing on 75% of acreage and downspacing to 100-acres on 25% of acreage; additional down-spacing potential exists
- Additional horizontal potential from other intervals (e.g. Clearfork, Middle Spraberry Shale, Atoka, Woodford)

Spraberry/Wolfcamp Rig Count

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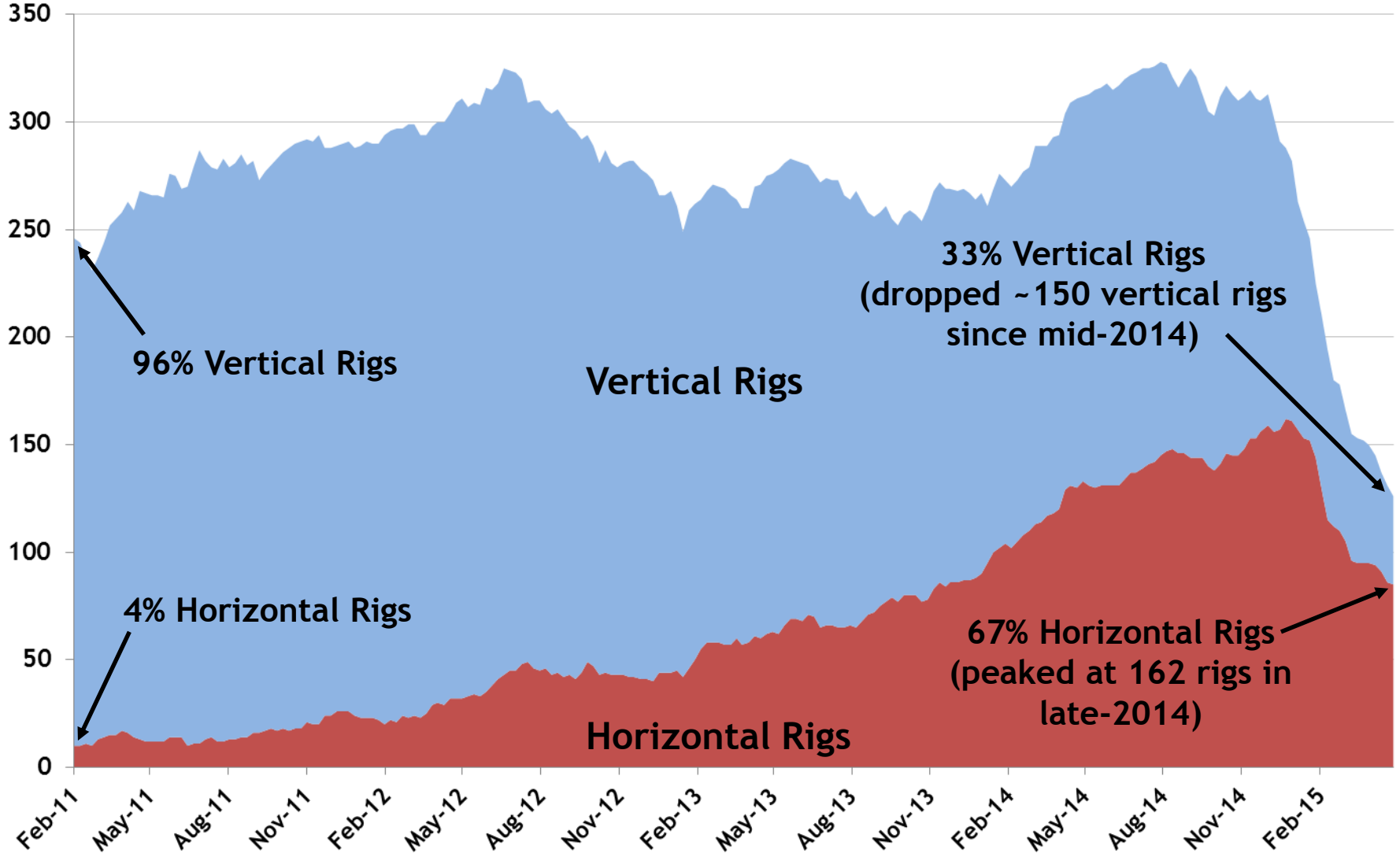
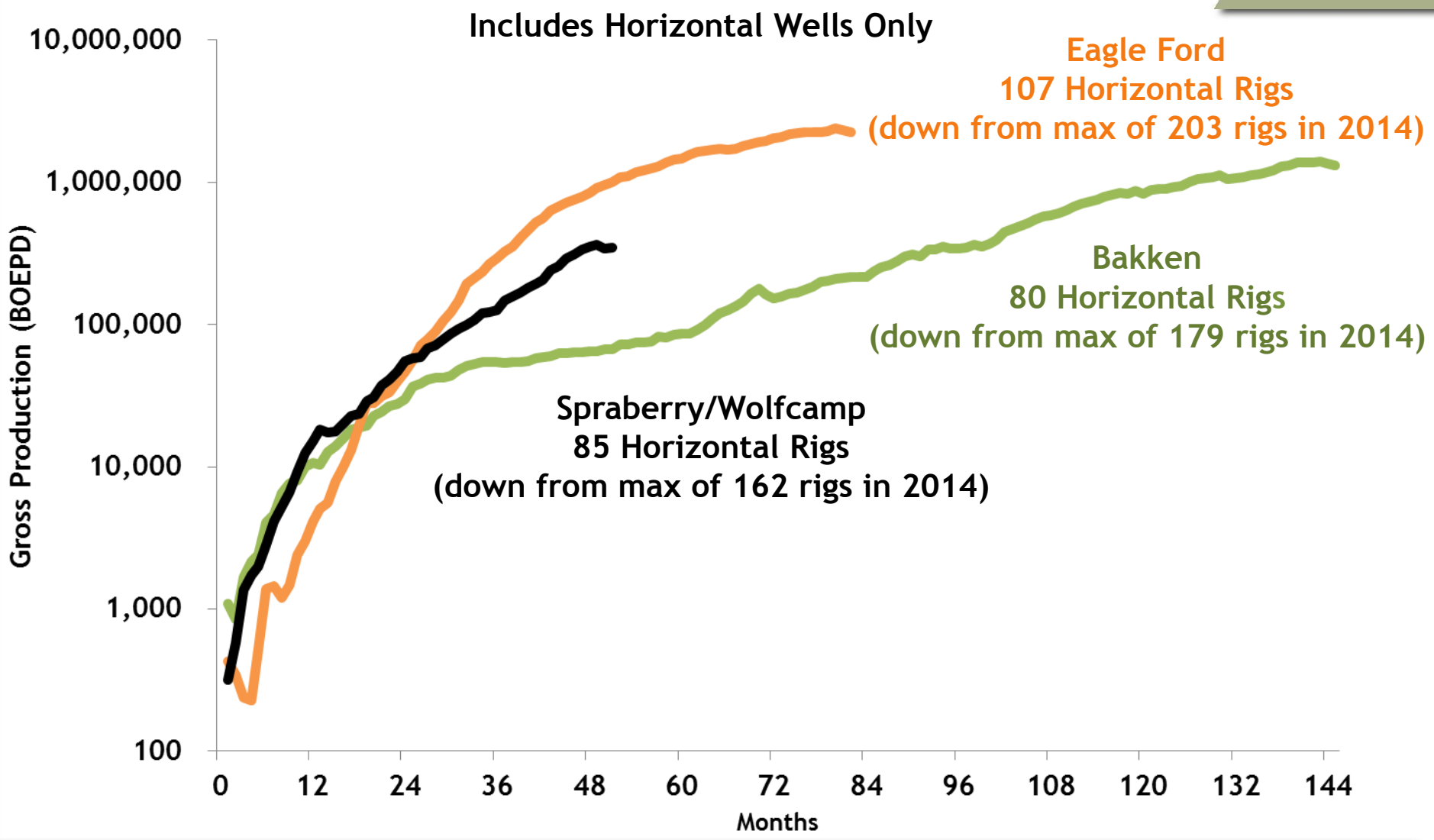
Counties: Andrews, Borden, Crockett, Dawson, Ector, Gaines, Glasscock, Howard, Irion, Martin, Midland, Mitchell, Reagan, Schleicher, Scurry, Sterling, Tom Green and Upton



Source: Rig count data provided by Baker Hughes, 05/01/15

Production Growth Profiles For 3 Largest U.S. Oil Shale Plays



Spraberry/Wolfcamp initial horizontal growth trajectory similar to Bakken and Eagle Ford

Note: Production data is from IHS and represents incremental production for the play beginning when horizontal drilling activity began in earnest; Rig count data from Baker Hughes as of 05/01/15; Spraberry/Wolfcamp includes selected counties identified on slide titled "Spraberry/Wolfcamp Rig Count"; Initial month is November 2010 for Spraberry/Wolfcamp, April 2008 for Eagle Ford and January 2003 for Bakken

Spraberry/Wolfcamp Production History

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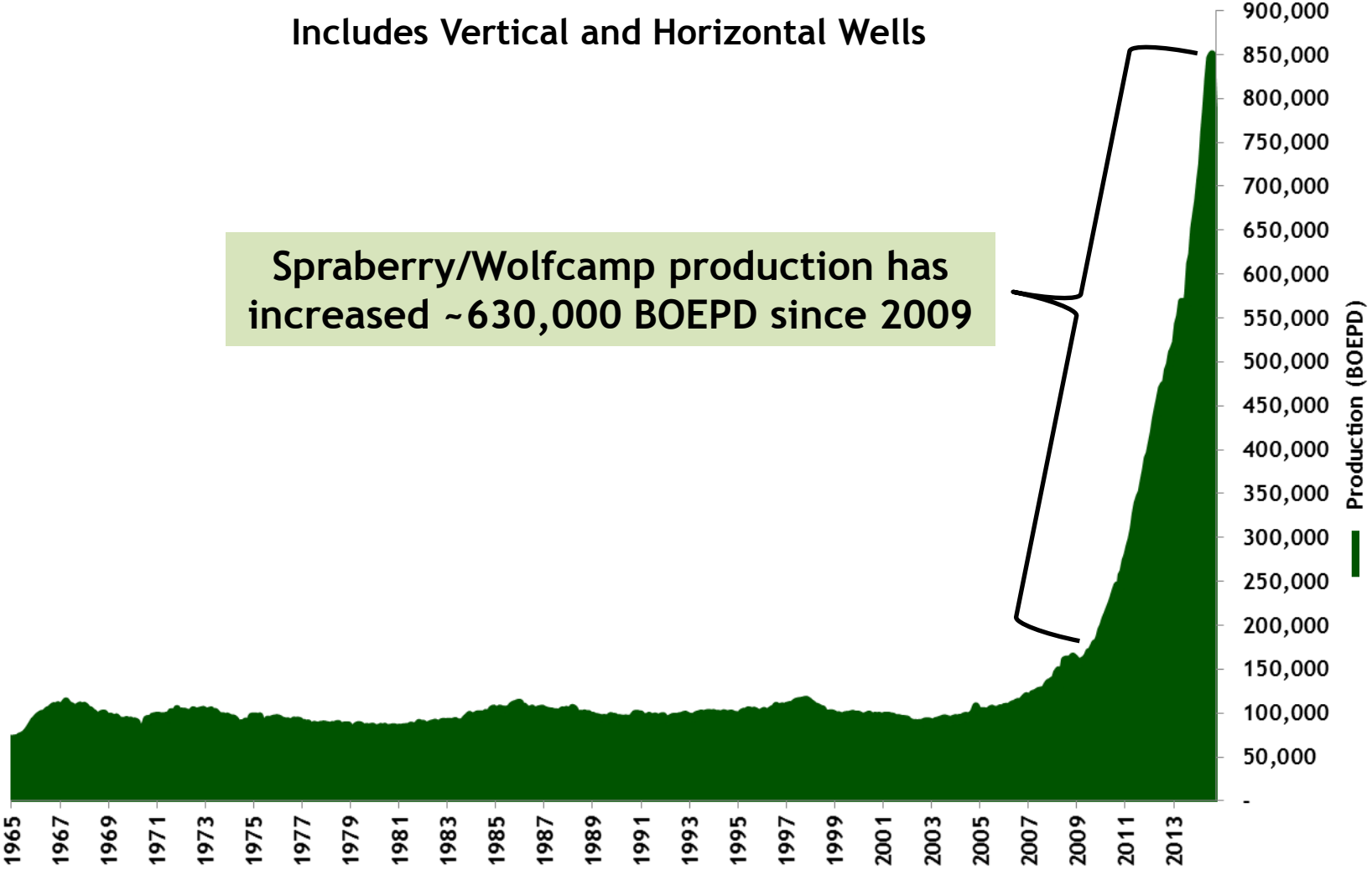
Includes Vertical and Horizontal Wells

Spraberry/Wolfcamp production has increased ~630,000 BOEPD since 2009



- From 2009 to 2012, production growth primarily attributable to increased vertical activity
- Post 2012, production growth expected to be driven by horizontal activity

Source: IHS Energy monthly data through February 2015 for the Spraberry, Credo East, Garden City South and Lin Fields; 2-stream production data

Drilling Results Confirming Pioneer's Midland Basin Sweet Spot

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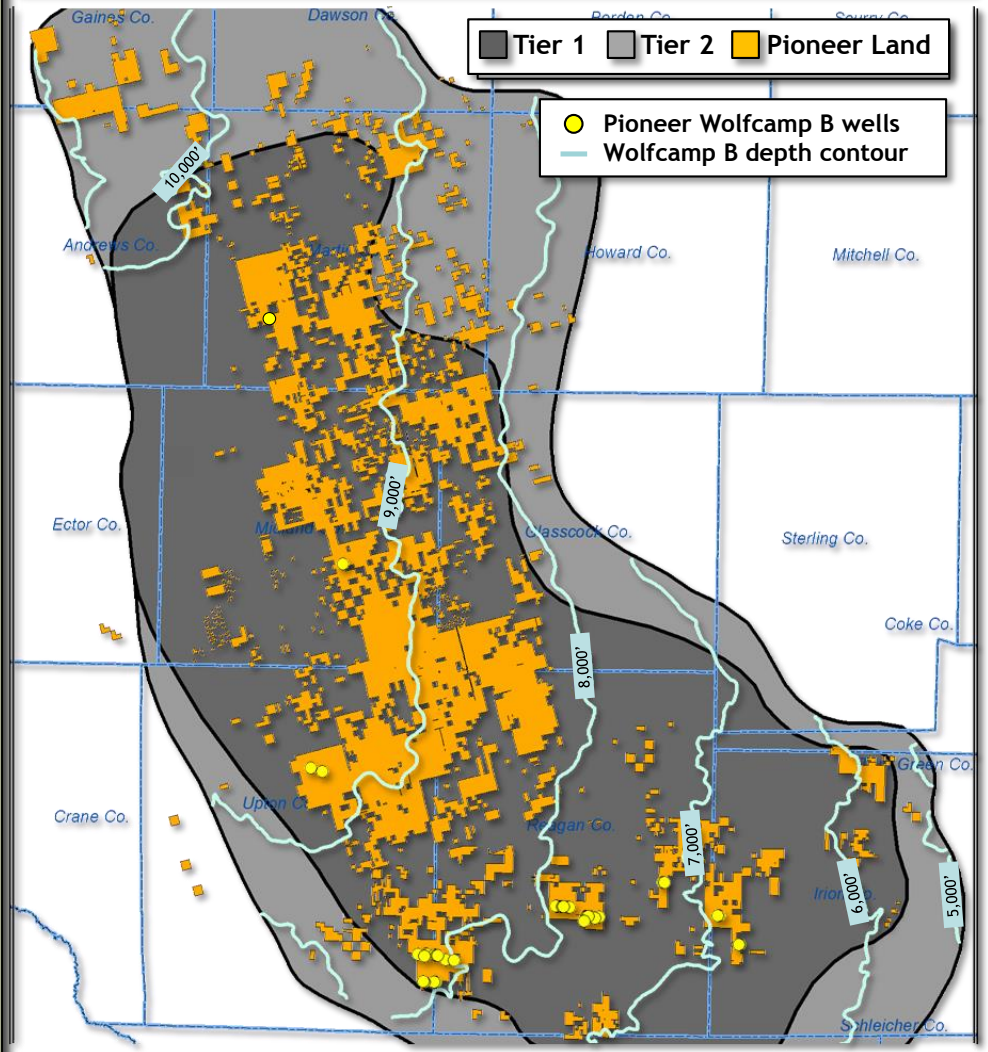
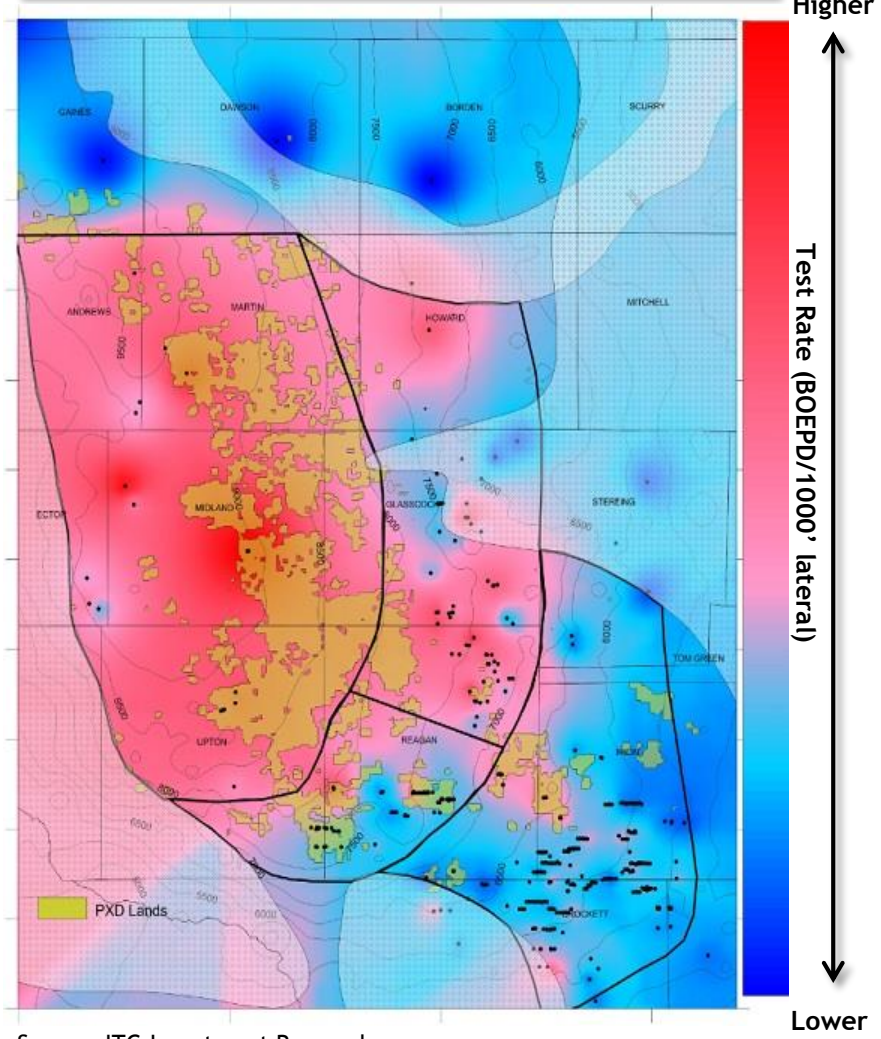
PXD Wolfcamp B Prospectivity Map (Early 2013)



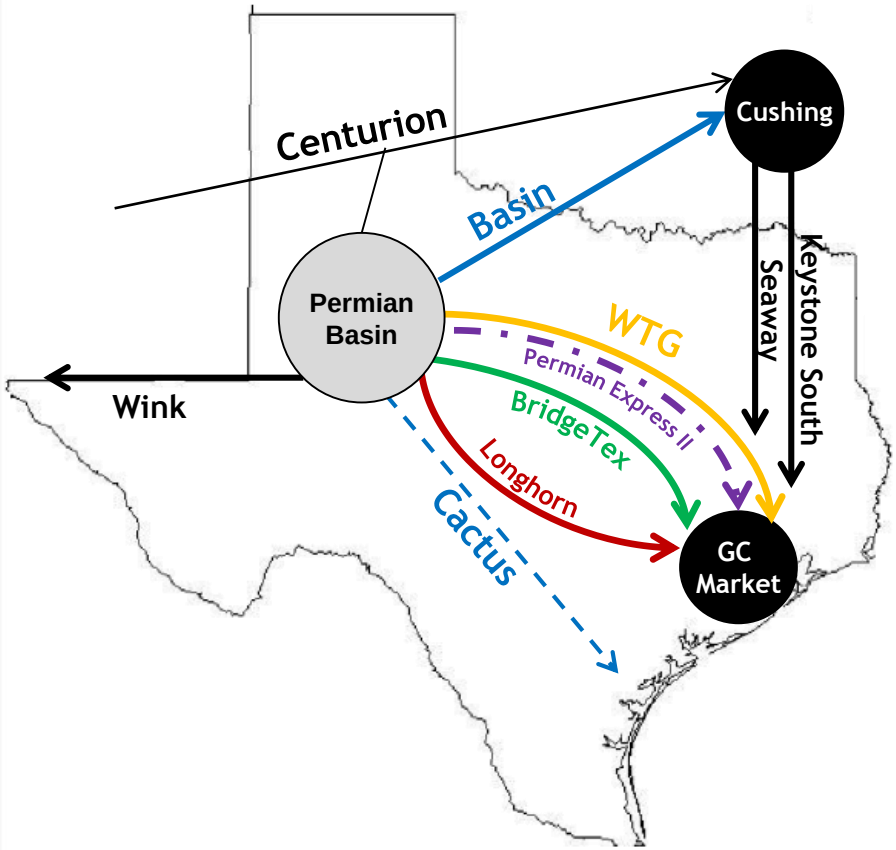
Source: Internal Pioneer developed in early 2013

2014 ITG Research Report Wolfcamp (All Zones) Test Rates



Source: ITG Investment Research

Crude Pipeline Capacity to Gulf Coast



Permian Basin Crude Takeaway Capacity

	Operator	Origin	Destination	Name	Capacity	Time Frame
Current	Plains	Permian	Cushing	Basin	450,000	
	Oxy	Permian	Cushing	Centurion	75,000	
	Sunoco	Permian	GC	West Texas Gulf	400,000	
	Kinder Morgan	Permian	El Paso	Wink	120,000	
	Magellan	Permian	GC	Longhorn	250,000	
	Magellan	Permian	GC	BridgeTex	300,000	
				Total	1,595,000	
Planned	Magellan	Permian	GC	Longhorn-add	25,000	2Q 2015
	Plains	Permian	Corpus	Cactus	200,000	2Q 2015
	Sunoco	Permian	GC	Permian Express II	200,000	3Q 2015
				Total	425,000	

Cushing to Gulf Coast Pipeline Takeaway

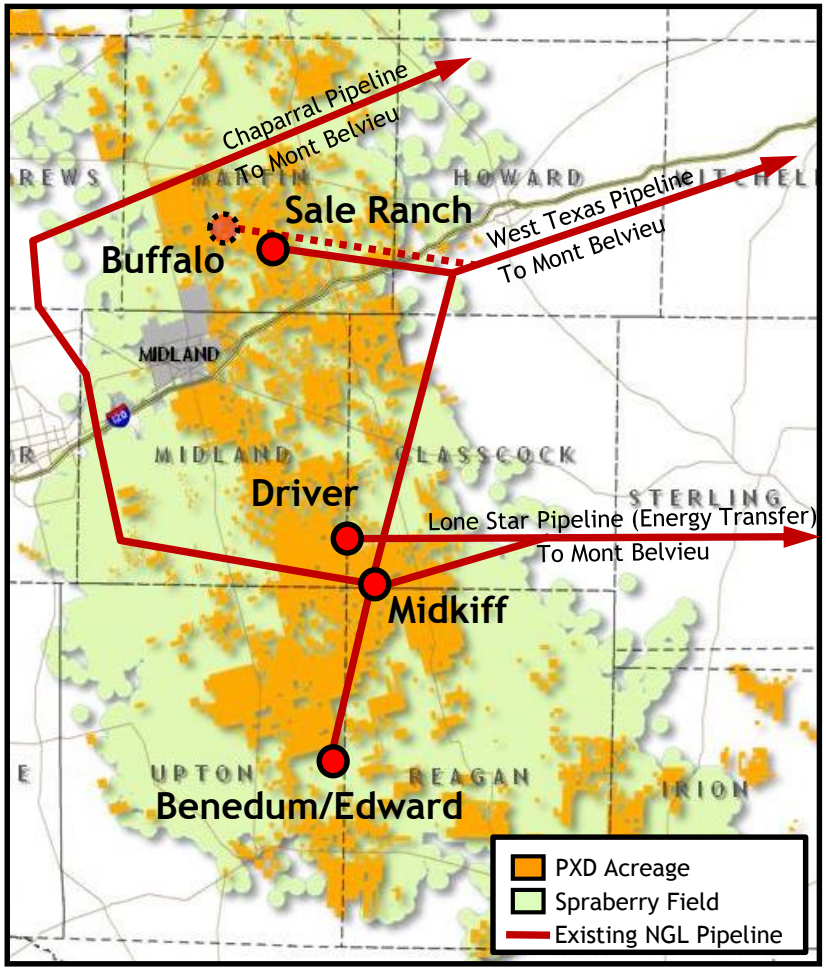
	Operator	Origin	Destination	Name	Capacity	Time Frame
Current	ENB/Enterprise	Cushing	GC	Seaway	850,000	
	Transcanada	Cushing	GC	Gulf Coast	830,000	
				Total	1,680,000	

- Increasing Pioneer's Spraberry/Wolfcamp oil deliveries to the Gulf Coast
  - Currently shipping 15 MBOPD on Longhorn Pipeline
  - Ramping up to 50 MBOPD by the end of Q3 with shipments commencing on Cactus Pipeline in May and Permian Express II Pipeline in July

Spraberry/Wolfcamp Midstream Infrastructure

Gas Processing

- **Targa System**
  - PXD has ~27% interest
  - Current capacity: 655 MMCFD[1]
    - Includes new Edward plant online Q3 2014 (+200 MMCFD)
  - PXD production makes up ~37% of throughput
  - Buffalo Plant in Martin County deferred to 2016 (+200 MMCFD)
- **Sale Ranch (WTG)**
  - PXD has ~30% interest
  - Current capacity: 320 MMCFD[2]
    - Includes new Martin County Plant online Q1 2015 (+200 MMCFD)
  - PXD production makes up ~13% of Sale Ranch throughput



Pipeline NGL Takeaway to Mont Belvieu

- **Chaparral & West Texas Pipelines**
  - PXD production throughput of ~13 MBPD
- **Lone Star Pipeline**
  - PXD production throughput of ~14 MBPD
  - Connect to all PXD gas processing plants
- **Mont Belvieu fractionation capacity at ~1.7 MMBPD**
  - Capacity additions of ~0.5 - 1.0 MMBPD planned during 2015 – 2018

Processing and takeaway capacity sufficient to support Pioneer's production in the Midland Basin

1) Wet gas stream with ~160 BBL/MMSCF NGL yield
2) Wet gas stream with ~135 BBL/MMSCF NGL yield